

## Message Text

UNCLASSIFIED

PAGE 01 STATE 054522

62

ORIGIN ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 EB-07

COME-00 JUSE-00 TRSE-00 OMB-01 /075 R

DRAFTED BY ARA/CAR:DASTRASSER:FBL

APPROVED BY ARA/CAR:TJCHEAVNER

----- 020803

P 051939Z MAR 76

FM SECSTATE WASHDC

TO AMEMBASSY PORT AU PRINCE PRIORITY

UNCLAS STATE 054522

E.O. 11652: N/A

TAGS: INVA, HA

SUBJECT: CARDEN AND CROOK TESTIMONY ON TRANSLINEAR

1. FOLLOWING IS VERBATIM TESTIMONY OF DR. WILLIAM CARDEN AND AMBASSADOR WILLIAM CROOK BEFORE JOINT ECONOMIC SUBCOMMITTEE ON PRIORITIES AND ECONOMY IN GOVERNMENT, MARCH 2.

2. DR. CARDEN: QUOTE THE OFFICERS, BOARD OF DIRECTORS AND STOCKHOLDERS OF TRANSLINEAR, INC. WISH TO THANK THE DISTINGUISHED MEMBERS OF THIS COMMITTEE FOR THE GRACIOUS INVITATION TO APPEAR HERE TODAY. IN PARTICULAR, I WANT TO EXPRESS APPRECIATION TO SENATOR PROXMIRE AND HIS STAFF FOR ARRANGING THE DETAILS FOR THIS TESTIMONY.

I CAN ASSURE YOU THAT WHEN TRANSLINEAR, INC. BEGAN A CONTRACTUAL INVESTMENT IN A FOREIGN COUNTRY OVER FOUR AND A HALF YEARS AGO THAT NONE OF US HAD EVEN THE FAINTEST SUSPICION THAT WE WOULD TODAY BE APPEARING

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 054522

BEFORE A CONGRESSIONAL COMMITTEE IN ORDER TO BRING

CHARGES AGAINST THAT COUNTRY OF EXPROPRIATION OF ASSETS, CONFISCATION OF EQUIPMENT, AND ATTEMPTED BRIBERY AND EXTORTION.

ON DECEMBER 4, 1970, THE REPUBLIC OF HAITI AND AN AMERICAN FIRM, DUPONT CARIBBEAN, INC. SIGNED A "CONVENTION" (CONTRACT) WHICH PROVIDED FOR A NINETY-NINE (99) YEAR LEASE AND FREEPORT STATUS FOR THE ILE DE LA TORTUE. THIS APPROXIMATELY 85 SQUARE MILE ISLAND LIES OFF THE NORTH COAST; IT WAS DISCOVERED BY COLUMBUS ON HIS FIRST VOYAGE TO THE NEW WORLD. UNDER THE TERMS OF THE CONVENTION THE ISLAND WAS TO BE GOVERNED BY A QUASI-SOVEREIGN FIVE-MAN BODY CALLED THE DUPONT CARIBBEAN FREE PORT AUTHORITY (DCFPA). THE CONVENTION, MODELED AFTER FREEPORT BAHAMAS AND HONG KONG, OFFICIALLY WENT INTO EFFECT ON JUNE 5, 1971, WITH ITS PUBLICATION IN LE MONITEUR, THE OFFICIAL HAITIAN NEWSPAPER.

THE TRANSLINEAR INVESTMENT PARTNERSHIP BECAME INTERESTED IN THE POTENTIAL OF THIS ISLAND DEVELOPMENT, AND, AFTER EXTENSIVE INVESTIGATION INTO THE INVESTMENT CLIMATE IN HAITI AND INTO THE LEGALITY OF THE CONVENTION, THE PARTNERSHIP INVESTED HEAVILY IN THE PROJECT. WE LEASED 4,800 OF THE 5,200 ACRES RELEASED BY THE HAITIAN STATE AND PURCHASED ONE OF THE SEATS ON THE FIVE-MAN FREEPORT AUTHORITY (DCFPA).

TRANSLINEAR, INC. WAS FORMED AS THE VEHICLE FOR THIS INVESTMENT, AN INTERNATIONALLY KNOWN ARCHITECTURAL FIRM, HELLMUTH, OBATA, AND KASSABAUM (H-O-K), WAS ENGAGED TO PREPARE A MASTER DEVELOPMENT PLAN, THE ISLAND WAS SURVEYED, MAPPED FROM THE AIR, AND A TOPOGRAPHICAL MAP WAS CREATED (ALL OF THE ABOVE FOR THIS FIRST TIME IN HISTORY FOR THE ISLAND). IN AUGUST 1972 CONSTRUCTION BARGES FROM THE UNITED STATES LANDED AND WORK BEGAN ON THE DEVELOPMENT OF THE MASTER PLAN. (PARENTHETICALLY, THE APPROXIMATELY TEN THOUSAND PEOPLE LIVING ON THE ISLAND WERE IN A CONDITION OF EXTREME POVERTY. THE ARRIVAL OF TRANSLINEAR BROUGHT JOBS AND NEW SKILLS TO HUNDREDS OF PEOPLE THERE.) THE HAITIAN GOVERNMENT WAS UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 054522

KEPT INFORMED AT ALL POINTS AND APPROVED OF THE WORK BEING PERFORMED.

THIS IS NOT TO SAY THAT EVERYTHING WAS PROGRESSING SMOOTHLY AND WITHOUT INTERRUPTION. BOTH THE HAITIAN STATE AND TRANSLINEAR, INC. WERE TROUBLED BY THE TACTICS AND ATTITUDE OF DUPONT CARIBBEAN, INC., THE COMPANY WITH WHOM HAITI HAD SIGNED THE ORIGINAL CONTRACT.

DURING THE SUMMER AND FALL OF 1972, D.C.I. REFUSED TO CONVENE THE FREE PORT AUTHORITY (DCFPA) AND THE ADMINISTRATIVE DEVELOPMENT OF THE ISLAND FELL FAR BEHIND THE CONSTRUCTION ACTIVITIES THERE.

EVEN A CASUAL OBSERVER COULD SEE THAT A BREAK BETWEEN HAITI AND DCI WAS A DEFINITE PROBABILITY UNLESS DCI CHANGED ITS PATTERN OF ACTIVITY WITH THE HAITIAN GOVERNMENT. AS A THIRD PARTY HOLDING CONTRACTUAL DEVELOPMENT RIGHTS TO A FREEPORT IN A 99-YEAR LEASE, TRANSLINEAR WAS QUITE CONCERNED ABOUT ITS POSITION IN ANY BREAK BETWEEN HAITI AND DCI.

HOWEVER, EVEN BEFORE THE HAITIAN GOVERNMENT BROUGHT FORMAL CHARGES AGAINST DCI TRANSLINEAR WAS ASSURED AT VARIOUS TIMES AT MINISTERIAL LEVEL THAT OUR RIGHTS WOULD BE PROTECTED REGARDLESS OF WHAT HAPPENED TO DCI. THIS ASSURANCE WAS GIVEN BY MINISTERS CAMBRONNE, LAFONTANT AND FRANCISQUE AND BY MR. ANTONIO ANDRE, DIRECTOR OF THE NATIONAL BANK (PLUS VARIOUS MINOR OFFICIALS).

ON FEBRUARY 28, 1973, OUR HAITIAN ATTORNEY, MR. JEAN CLAUDE LEGER, WAS CALLED TO THE OFFICE OF FINANCE MINISTER FRANCISQUE AND TOLD THAT THE HAITIAN GOVERNMENT WAS PLANNING TO BRING CHARGES AGAINST DCI AND ATTEMPT TO CANCEL HIS CONTRACT. THE MINISTER ASSURED MR. LEGER THAT THE TRANSLINEAR RIGHTS WOULD NOT BE VIOLATED AND URGED MR. LEGER TO BE PRESENT IN COURT WHEN THE CHARGES WERE BROUGHT SO THAT HE COULD READ A STATEMENT FOR TRANSLINEAR INTO THE RECORD. THIS WAS DONE.

ON FRIDAY, MARCH 23, 1973, HAITIAN MINISTER OF FINANCE, FRANCISQUE, AND MINISTER OF JUSTICE, FORTUNE', AND A UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 054522

GOVERNMENT ATTORNEY, MR. JEANTY, (NOW THE MINISTER OF JUSTICE) CAME TO TORTUE ISLAND TO STOP ALL ACTIVITY THERE UNTIL THE COURT COULD RELEASE ITS RULING REGARDING DCI. I WAS PRESENT ON THE ISLAND AND WAS TOLD BY THE HAITIAN OFFICIALS THAT WE WOULD BE BACK AT WORK THE FOLLOWING WEEK. MINISTER FRANCISQUE PRAISED THE QUALITY OF OUR WORK AND REPEATED SEVERAL TIMES THAT THE HAITIAN QUARREL WAS WITH DCI AND NOT TRANSLINEAR. THIS WAS REPEATED TO ME ON OUR RETURN TO THE MAINLAND.

BEING ASSURED AND BELIEVING THAT THE WORK STOPPAGE WAS ONLY TEMPORARY, WE LEFT THE ISLAND EXPECTING TO RETURN TO WORK THE NEXT MONDAY. MUCH OF THE CONSTRUCTION EQUIPMENT WAS LEFT IN THE FIELD, THE SUPPORT VAN WAS FULL OF SUPPLIES (THAT WOULD LATER SPOIL), AND COUNTLESS

MAPS AND PLANS WERE LEFT IN THE OFFICE TRAILER. AS EVENTS DEVELOPED, HOWEVER, TRANSLINEAR WAS NEVER ALLOWED TO RESUME WORK ON THE ISLAND.

AT FIRST WE WERE TOLD, "BE PATIENT, YOU WILL BE BACK SOON." BUT DAYS PASSED INTO WEEKS AND MONTHS. I MADE FREQUENT TRIPS TO HAITI IN FRUITLESS ATTEMPTS TO GAIN

CLARIFICATION OF THE SITUATION. I WAS ALWAYS POLITELY RECEIVED AND WAS ALWAYS ASSURED THAT THE GOVERNMENT WAS INTERESTED IN OUR RIGHTS AND THAT WE WOULD BE ALLOWED TO RETURN TO WORK ON THE ISLAND SOON.

GRADUALLY A NEW VERSE WAS ADDED TO THE SONG: TRANSLINEAR COULD NOT RESUME WORK UNTIL HAITI COMPLETED ITS TRIAL WITH DCI. ON AUGUST 27, 1973, THE HAITIAN COURT RELEASED ITS DECISION. IT RULED THE CONTRACT BETWEEN HAITI AND DCI CANCELLED--BUT NOT RESCINDED. UNDER HAITIAN CIVIL LAW THIS MEANT THE CONTRACT WAS VALID TO THE TIME OF CANCELLATION AND THUS ALL RIGHTS OF THIRD PARTIES WERE STILL IN EXISTENCE.

WE WERE PRIVATELY TOLD AT THE MINISTERIAL LEVEL THAT IT WAS ONLY A MATTER OF TIME BEFORE ACTIVITIES WOULD RESUME ON THE ISLAND. THERE WAS EVEN SOME SPECULATION THAT THE HAITIAN GOVERNMENT WOULD REPLACE DCI IN PARTNERSHIP

UNCLASSIFIED

PAGE 05 STATE 054522

WITH TRANSLINEAR.

ON NOVEMBER 15, 1973, MINISTER OF COMMERCE, SERGE FOURCAND, GAVE ME A LETTER STATING THAT THE HAITIAN STATE WANTED TO CONTINUE THE PROJECT AND THAT THE PRESIDENT OF HAITI WANTED TRANSLINEAR TO PROPOSE A NEW CONTRACT FOR THE DEVELOPMENT OF TORTUE ISLAND.

USING SOME OF THE FINEST LEGAL SERVICES AVAILABLE IN THE UNITED STATES, WE PREPARED A NEW FREEPORT CONTRACT, ASKING FOR NO MORE FOR TRANSLINEAR THAN WE HAD RECEIVED UNDER THE FIRST CONTRACT: 4,800 ACRES OF LAND IN A FREEPORT STATUS FOR 99 YEARS. TRANSLINEAR GUARANTEED A MINIMUM INVESTMENT OF DOLS. 15,00,000 IN THE ISLAND WITHIN THE FIRST FIVE YEARS, AND, MOST IMPORTANT, OFFERED TO SPLIT THE PROFITS IN THE VENTURE EQUALLY--50-50-- WITH THE HAITIAN GOVERNMENT.

DURING THE NEXT EIGHTEEN MONTHS WE WERE SUBJECT TO AN UNBELIEVABLE SERIES OF SHUFFLES AND DELAYS. THE ORIGINAL CONTRACT WAS AMENDED IN A MAJOR FASHION FIVE TIMES AT THEIR REQUEST. THEY MADE NO SUGGESTION OF CHANGE

THAT WAS NOT FOLLOWED. I MADE FREQUENT TRIPS TO HAITI, OFTEN FOR NO PURPOSE WHEN A MINISTER, AFTER I HAD ARRIVED, WOULD CHANGE AN APPOINTMENT TO A DATE TWO WEEKS LATER--ALWAYS WITH THE PROMISE THAT WITH PATIENCE EVERYTHING WOULD BE SOLVED. THE AMERICAN EMBASSY IN HAITI WAS KEPT FULLY INFORMED OF OUR LACK OF PROGRESS. THEY, TOO, HAD LITTLE TO OFFER EXCEPT THE WISDOM OF PATIENCE.

IN APRIL 1974 I WAS INFORMED THAT TRANSLINEAR COULD NO LONGER FLY TO TORTUE ISLAND--EVEN FOR PURPOSES OF ROUTINE MAINTENANCE, INSPECTION OF EQUIPMENT, OR TO MEET THE SMALL PAYROLL OF SECURITY PERSONNEL THERE. I WAS WARNED THAT ANY ATTEMPT TO SAIL TO THE ISLAND WOULD MEAN THAT OUR BOAT "WOULD BE BLOWN OUT OF THE WATER."

IN MAY 1974 THE U.S. EMBASSY ASSURED US THAT WE NOW HAD PERMISSION TO GO TO THE ISLAND IF PERMISSION WAS RE-UNCLASSIFIED

UNCLASSIFIED

PAGE 06 STATE 054522

QUESTED TWENTY-FOUR HOURS IN ADVANCE; THIS TURNED OUT NOT TO BE TRUE IN PRACTICE. ALTHOUGH DOZENS OF REQUESTS WERE MADE, TRANSLINEAR WAS ABLE TO FLY TO THE ISLAND ONLY TWO TIMES BETWEEN APRIL 1974 AND DECEMBER 1975. JUST AS DISTURBING DURING THIS PERIOD WERE NEWLY HEARD SUGGESTIONS BY THE INVOLVED MINISTERS THAT TRANSLINEAR HAD NO RIGHTS ON THE ISLAND--MERELY THE HOPE OF RIGHTS TO BE OBTAINED IN A NEW CONTRACT.

SUDDENLY, IN MARCH 1975, IT APPEARED THAT PROGRESS TOWARD A NEW CONTRACT WAS FINALLY BEING MADE. BY MID-APRIL WE FELT THAT A NEW CONTRACT WOULD SOON BE SIGNED. BUT EARLY ON THE MORNING OF APRIL 15 I WAS TELEPHONED AT MY HOTEL BY A TRANSLINEAR EMPLOYEE AND ASKED TO STOP AT HIS HOUSE. WHEN I ARRIVED, I FOUND THE EMPLOYEE QUITE FRIGHTENED. I WAS TOLD THAT HE WAS INSTRUCTED TO GET ME TO HIS HOUSE AND WAIT FOR FURTHER INSTRUCTIONS. A TELEPHONE CALL SUMMONED US IN SEPARATE CARS TO THE SQUARE IN PETIONVILLE, A PORT-AU-PRINCE SUBURB. SITTING THERE IN MY CAR, I WAS JOINED BY A SMALL BLACK MAN WHO CLOSELY RESEMBLED A HOLLYWOOD GRADE-B GANGSTER, EVEN DOWN TO THE DETAIL OF REFLECTIVE SUNGLASSES, LIKE THOSE FORMERLY WORN BY THE TON-TON MACOUTES.

SPEAKING ENGLISH, HE REFUSED TO TELL ME HIS NAME, AND BEGAN TO SPEAK CONTEMPTUOUSLY OF TRANSLINEAR'S EFFORTS TO OBTAIN A NEW CONTRACT. HE PURPORTED TO BE A MEMBER OF THE GOVERNMENT AND PROMISED NO CONTRACT WOULD BE FORTHCOMING UNLESS TRANSLINEAR DID THE FOLLOWING: (1)

FIRE OUR HAITIAN ATTORNEY (WHO WAS WELL-KNOWN IN HAITI FOR HIS REFUSAL TO MAKE PAY-OFFS), AND HIRE A MR. SIEYED (WHO LATER TURNED OUT TO BE AN EMPLOYEE IN THE DEPARTMENT OF JUSTICE). (2) DEPOSIT DOLS. 500,000 IN THE NATIONAL BANK. (3) GIVE YET-TO-BE-NAMED THIRD PARTIES ONE-HALF OF THE STOCK IN TRANSLINEAR, INC. (IF, IN FACT, HE WAS CONNECTED WITH THE GOVERNMENT, HIS DEMANDS AMOUNTED TO AN EXTORTION ATTEMPT TO GAIN OPERATING CONTROL OF AN AMERICAN COMPANY.) (4) WRITE A LETTER TO THE PRESIDENT OF HAITI, PRAISING HIS ADMIN-

ISTRATION AND PROMISING TO BEGIN WORK IN THIRTY DAYS  
UNCLASSIFIED

UNCLASSIFIED

PAGE 07 STATE 054522

IF WE WERE GRANTED THE CONTRACT.

HIS ADDITIONAL DEMANDS AND STATEMENTS INCLUDED THE FOLLOWING: (1) THIS INCIDENT WAS NOT TO BE MENTIONED TO ANYONE. (2) UNLESS THE DEMANDS WERE AGREED TO, THE PROJECT WOULD BE SHIFTED FROM DEPARTMENT TO DEPARTMENT UNTIL TRANSLINEAR WOULD FINALLY GIVE UP AND LEAVE HAITI. WHEN I TOLD HIM THE CONTRACT WAS AT THE POINT OF SIGNING, HE CHALLENGED THIS AND SAID THE CONTRACT WOULD BE MOVED TO ANOTHER MINISTRY IF WE DID NOT CO-OPERATE. THIS IS EXACTLY WHAT HAPPENED. HE SPOKE OF OTHER AMERICAN COMPANIES THAT HAD GROWN TIRED AND LEFT, BUT MENTIONED A COMPANY THAT HAD RECEIVED A MAJOR MINERAL DEVELOPMENT CONTRACT BECAUSE THEY HAD COOPERATED. (3) HE CONCLUDED BY TELLING ME THAT THERE WAS ANOTHER GROUP WAITING IN THE WINGS IF TRANSLINEAR DID NOT WANT TO GO ALONG.

WHEN OUR DISCUSSION WAS OVER, HE CALLED THE TRANSLINEAR EMPLOYEE TO THE CAR AND SPOKE TO HIM FOR SOME MINUTES IN CREOLE. THE EMPLOYEE, OBVIOUSLY VERY FRIGHTENED TO THE VERGE OF HYSTERIA, THEN REPEATED THE DEMANDS TO ME IN ORDER TO MAKE SURE THAT I HAD UNDERSTOOD EVERYTHING. HE ADDED THAT THE EMPLOYEE WAS TO BE THE CONTACT FOR ME WITH THE INDIVIDUAL AND HIS GROUP. WHEN HE ASKED ME FOR MY ANSWER, I SAID THAT I COULD NOT DO ANYTHING UNTIL I HAD TALKED WITH THE AMERICAN AMBASSADOR. HE WAS OUTRAGED, AND, IN CREOLE, THREATENED THE EMPLOYEE, PROMISING THAT TRANSLINEAR WOULD NEVER HAVE THE CONTRACT.

I IMMEDIATELY DROVE TO THE ATTORNEY'S OFFICE, WHO EXPRESSED AN OPINION THAT THE BRIBERY ATTEMPT WAS PROBABLY REAL AND SHOULD BE REPORTED TO THE MINISTER WORKING ON THE CONTRACT. I RETURNED TO THE HOTEL, AND DISCUSSED THE SITUATION WITH BILL CROOK, TRANSLINEAR BOARD CHAIRMAN. WE DECIDED THAT HE WOULD BRIEF THE

AMERICAN EMBASSY WHILE I REPORTED IT TO MINISTER BAYARD OF THE COMMERCE DEPARTMENT, WHO WAS HANDLING THE CONTRACT NEGOTIATION.

THE MINISTER DISMISSED THE INCIDENT AS MEANINGLESS. HE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 08 STATE 054522

ASSURED ME THAT HE WAS THE ONLY INDIVIDUAL HANDLING NEGOTIATIONS AND THAT WE WOULD SOON HAVE A SIGNED CONTRACT.

NEVERTHELESS, IT WAS ONLY A MATTER OF A COUPLE OF WEEKS BEFORE THE CONTRACT DISCUSSIONS WERE SHIFTED TO ANOTHER MINISTRY AND THEN SHIFTED AGAIN TO THE PRESIDENTIAL

COMMISSION IN MID-MAY. I CONTINUED TO RECEIVE ASSURANCES THAT THE CONTRACT WAS CLOSE TO THE POINT OF SIGNING. THEN IN JUNE OUR HAITIAN ATTORNEY TELEPHONED ME TO REPORT THAT THE PRESIDENTIAL COMMISSION HAD BEEN ABOLISHED AND THERE WAS NO INFORMATION ON THE FATE OF THE PROJECT.

TELEGRAMS AND LETTERS TO APPROPRIATE INDIVIDUALS IN HAITI BROUGHT NO RESPONSE OR PROGRESS TOWARD A SETTLEMENT. THEN, INEXPLICABLY, MINISTER BAYARD WROTE A VERY CRITICAL LETTER TO TRANSLINEAR. HE ACCUSED ME OF TRYING TO USURP THE SOVEREIGNTY OF HAITI IN TORTUE ISLAND. I RETURNED A CLARIFYING LETTER, BUT DISCUSSIONS DID NOT SEEM TO BE GOING ANYWHERE WHEN I WAS TELEPHONED IN LATE NOVEMBER 1975 AND WAS TOLD THAT THE CONTRACT WOULD BE SIGNED IF TRANSLINEAR WOULD AGREE TO TWO THINGS: (1) ANY DISPUTE BETWEEN TRANSLINEAR AND HAITI WOULD HAVE TO BE SUBMITTED TO HAITIAN COURTS RATHER THAN TO INTERNATIONAL ARBITRATION (AGREED); AND, (2) HAITI WOULD HAVE TO BE IN CHARGE OF CUSTOMS AND EMIGRATION ON THE ISLAND (HAD BEEN AGREED TO PREVIOUSLY). HOWEVER, UPON ARRIVAL IN HAITI, I WAS PRESENTED WITH AN UNDER THE TABLE DEMAND OF DOLS. 50,000. WHEN I REFUSED, NO FURTHER DISCUSSIONS TOOK PLACE, AND I WAS TOLD BY SEVERAL SOURCES THAT THE TORTUE PROJECT WAS NOW DEAD FOR GOOD.

THUS A PROJECT THAT BEGAN WITH SUCH GREAT HOPES AND PERHAPS MISPLACED IDEALISM FOUR YEARS AND APPROXIMATELY THREE MILLION DOLLARS EARLIER ENDED WITH A WHIMPER AND NOT A BANG. DURING THAT FOUR YEARS TRANSLINEAR OFFICERS, EMPLOYEES, AND AGENTS MADE OVER ONE HUNDRED AND FIFTY TRIPS TO HAITI. I MADE THIRTY-ONE MYSELF.  
UNCLASSIFIED

UNCLASSIFIED

PAGE 09 STATE 054522

IN ALL THAT TIME WE HAVE NEVER ASKED FOR ANYTHING WE DID NOT CONTRACT FOR IN 1972. WE THEN PAID NEARLY ONE MILLION DOLLARS FOR THE LEASEHOLD DEVELOPMENT RIGHTS TO 4,800 ACRES OF FREEPORT LAND. WE HAVE BEEN REFUSED LEASEHOLD TITLE TO THIS LAND, WE HAVE BEEN DENIED ACCESS TO THE EQUIPMENT AND MATERIALS WE WERE FORCED TO LEAVE THERE. FOR THREE YEARS WE HAVE WATCHED THE ELEMENTS DESTROY THE WORK WE DID ON THE ISLAND AND TURN NEARLY HALF A MILLION DOLLARS OF EQUIPMENT AND SUPPLIES INTO RUSTED WRECKS WITH LITTLE MORE THAN SALVAGE VALUE. AND, FOR THREE YEARS WE HAVE BEEN TOLD TO HAVE PATIENCE AND WE WOULD RECEIVE A NEW DEVELOPMENT CONTRACT FOR TORTUE ISLAND. THE REWARD OF OUR PATIENCE HAS BEEN TWO SLEAZY BRIBERY ATTEMPTS.

OUR CONSERVATIVE FEASIBILITY STUDY SHOWS THAT THE PROJECT WOULD HAVE HAD A NET WORTH OF DOLS. 27,000,000 NEXT YEAR IF IT HAD BEEN ALLOWED TO CONTINUE ON THE SCHEDULE WITH WHICH WE STARTED. IRONICALLY, THE REPUBLIC OF HAITI WOULD HAVE SHARED HALF OF THE PROFITS IN THIS SUCCESS.

IN MY LETTER TO MINISTER BAYARD (OCTOBER 23, 1975), I ASSURED HIM THAT TRANSLINEAR WAS NOT TRYING TO FORCE HAITI TO COMPRISE ANY POINT OR PRINCIPLE OF SOVEREIGNTY-- THAT WE WERE WILLING TO DISCUSS AND COMPROMISE ANY ISSUE BETWEEN US--IN ORDER TO REACH THE GOAL OF A RESUMPTION OF A JOINT VENTURE DEVELOPMENT OF TORTUE THAT WOULD BE PROFITABLE AND BENEFICIAL TO BOTH PARTIES.

I AM NOT A WEALTHY MAN AND I HAVE NO MONEY AND LITTLE STOCK IN TRANSLINEAR. IN FACT, I DO NOT HAVE MUCH FINANCIAL GAIN TO ANTICIPATE IN THE SUCCESS OF THIS PROJECT. I HAVE SPENT FOUR YEARS OF MY LIFE ON THIS PROJECT BECAUSE I SERIOUSLY BELIEVED IN THE BENEFITS OF THIS DEVELOPMENT TO A SERIOUSLY UNDER-DEVELOPED COUNTRY. I AM NOT ONLY DISTRESSED FOR HAITI'S UNRECOGNIZED LOSS, BUT I AM ALSO DISTRESSED FOR THE TRANSLINEAR STOCKHOLDERS--ESPECIALLY FOR THE THREE PRINCIPAL STOCKHOLDERS (WILLIAM CROOK, C.T. BECKHAM AND ROBERT A. UNCLASSIFIED

UNCLASSIFIED

PAGE 10 STATE 054522

FANNING), WHO HAVE POURED A LARGE PERCENTAGE OF THEIR PERSONAL FORTUNES INTO THIS DEVELOPMENT. THEY HAVE ALWAYS INSISTED THAT OUR RELATIONS WITH THE HAITIAN



STATE BE CORRECT, HONEST AND HONORABLE. THEY, THE OTHER  
TRANSLINEAR STOCKHOLDERS, AND THE PEOPLE OF HAITI DE-  
SERVE A BETTER CONCLUSION TO THIS PROJECT.

3. AMBASSADOR CROOK: QUOTE ON BEHALF OF THE BOARD OF  
DIRECTORS AND STOCKHOLDERS OF TRANSLINEAR, INC., I WISH  
TO EXPRESS APPRECIATION TO THE DISTINGUISHED MEMBERS  
OF THIS SUBCOMMITTEE FOR GRANTING US THE OPPORTUNITY  
TO APPEAR AND PRESENT THE CASE OF AN AMERICAN COMPANY  
WHICH RESISTED THE TEMPTATION TO BUY SUCCESS BY PAYING  
A BRIBE TO A FOREIGN GOVERNMENT. I WANT TO ESPECIALLY  
EXPRESS GRATITUDE TO SENATOR PROXIMIRE AND MEMBERS OF  
HIS STAFF FOR MAKING THIS OPPORTUNITY POSSIBLE. WE  
ARE NOT HERE IN THE SPIRIT OF ANIMOSITY, NOR DO WE  
WANT TO MAKE THESE CHARGES IN A SPIRIT OF HOSTILITY.  
OUR FOUR AND ONE HALF YEARS OF ACTIVE INVOLVEMENT IN THE  
REPUBLIC OF HAITI HAS GIVEN US A HIGH REGARD FOR THE  
HAITIAN PEOPLE AND THEIR ASPIRATIONS FOR THE FUTURE.  
THE MORE THAN THREE HUNDRED HAITIAN MEN AND WOMEN WHO  
WORKED FOR TRANSLINEAR, BOTH IN THE OFFICES IN PORT-AU-  
PRINCE AND IN THE VARIOUS PROJECTS ON THE ISLAND OF  
TORTUGA, WORKED HARD AND DILIGENTLY FOR THE SALARIES

THEY WERE PAID. HAD OUR PROJECT BEEN PERMITTED TO CON-  
TINUE, AND HAD ITS GROWTH BEEN ON SCHEDULE, THAT NUMBER  
WOULD HAVE INCREASED BY NOW TO OVER SIX THOUSAND EMPLOYEES  
WORKING FOR TRANSLINEAR, AND FOR THE MANY INDUSTRIES WHICH  
SOUGHT TO ESTABLISH THEMSELVES UNDER THE CANOPY OF THE  
FREEPORT AUTHORITY AUTHORIZED BY THE HAITIAN STATE.

NOR DO WE WISH TO APPEAR SMUG OR SANCTIMONIOUS. WE CAN  
UNDERSTAND THE ALMOST IRRESISTIBLE TEMPTATION TO SIMPLIFY  
NEGOTIATIONS, PUT AN END TO DELAYS, ECONOMIZE ON EXPENSES  
AND ASSURE PROFITS BY PASSING OUT AMERICAN DOLLARS TO  
OFFICIALS WHO CAN TAKE SHORT CUTS, GUARANTEE SIGNATURES  
AND DELIVER CONTRACTS. SUCH CONDUCT IS EASY TO RATIONAL-  
IZE WHEN OTHERS ARE DOING IT AND WHEN COMPETITION IS  
FIERCE. THE RESPONSIBILITY OF REPRESENTING STOCKHOLDERS  
UNCLASSIFIED

UNCLASSIFIED

PAGE 11 STATE 054522

ABROAD IS A GRAVE ONE. WHILE WE ARE SURE THAT OUR DECI-  
SION TO RESIST EXTORTION WAS RIGHT, WE ARE EQUALLY SURE  
THAT THAT DECISION WAS COSTLY TO OUR STOCKHOLDERS AND  
RUINOUS TO OUR COMPANY. NO ONE WANTS TO PAY BRIBES, AND  
EVERYONE KNOWS THAT A CLIMATE OF BRIBERY AND EXTORTION IS  
EXPENSIVE, INEFFICIENT AND UNHEALTHY. AN INTERNATIONAL  
CODE OF ETHICS IS BADLY NEEDED AND I BELIEVE WOULD BE  
ENTHUSIASTICALLY SUPPORTED BY AMERICAN BUSINESS.

THE DECISION MY COMPANY MADE TO INVEST IN HAITI WAS THE

RESULT OF CAREFUL AND THOROUGH RESEARCH. A NEW GOVERNMENT WAS IN POWER IN HAITI, AND THE YOUNG PRESIDENT HAD PROCLAIMED, "MY FATHER BROUGHT THE POLITICAL REVOLUTION, I WILL BRING THE ECONOMIC REVOLUTION." THE CONTRACTS AND AGREEMENTS UNDER WHICH WE WOULD BE OPERATING WERE CAREFULLY RESEARCHED BY SOME OF THE BEST LEGAL MINDS IN CANADA AND THE UNITED STATES. ONE EXPERT CALLED THE CONCEPT OF A FREEPORT AUTHORITY ON THE ISLAND OF TORTUGA ONE OF THE MOST UNIQUE AND EXCITING EVENTS TO OCCUR IN THE NORTHERN HEMISPHERE IN THE LAST ONE HUNDRED YEARS. THE INITIAL INVOLVEMENT OF MY COMPANY WAS THAT OF A MANAGER AND A SUB-CONTRACTOR. AS EVENTS DEVELOPED, WE FOUND OURSELVES THE PRINCIPAL DEVELOPER AND INVESTOR. THE MONEY INVESTED BELONGED TO THE PRINCIPALS OF TRANSLINEAR AND TO A FEW STOCKHOLDERS. IT CAME FROM OUR OWN RESOURCES, AND FROM BANK LOANS PERSONALLY GUARANTEED BY US. TO ASSURE OURSELVES OF THE VALIDITY OF THE CONTRACT EXISTING BETWEEN THE REPUBLIC OF HAITI AND DUPONT CARIBBEAN, INC., WE SOUGHT AND RECEIVED THE OPINIONS OF THE AMERICAN EMBASSY IN PORT-AU-PRINCE, THE SCHOOL OF LAW AT SOUTHERN METHODIST UNIVERSITY, AND OF PRESTIGIOUS LAW FIRMS IN MONTREAL, CANADA, AND DALLAS, TEXAS. THE CONTRACT UNDER WHICH WE WERE ACTING WAS SIGNED BY THE PRESIDENT OF HAITI AND BY EVERY MEMBER OF HIS CABINET. THE CONTRACT CONTAINED STIPULATIVE

CLAUSES AGAINST EXPROPRIATION AND CONFISCATION, AND WE PROCEEDED TO INVEST IN CONFIDENCE. OUR FIRST MAJOR OUTLAY WAS IN THE AMOUNT OF \$800,000 TO LEASE APPROXIMATELY FIVE THOUSAND ACRES ON THE EAST END OF THE ISLAND. BEFORE BEGINNING DEVELOPMENT, WE SOUGHT AND RECEIVED THE TITLE OPINION FROM HAITIAN LEGAL COUNSEL. I QUOTE THE CONCLUDING UNCLASSIFIED

UNCLASSIFIED

PAGE 12 STATE 054522

PARAGRAPH OF THAT OPINION. "THEREFORE, TRANSLINEAR, INC. HAS A CLEAR CHAIN OF TITLE TO THE GOVERNMENT LAND RELEASED BY SAID GOVERNMENT OF HAITI TO DUPONT CARIBBEAN, INC., AND THE TRANSFER OF LEASEHOLD INTEREST REGARDING THIS LAND HAS BEEN EFFECTED IN ACCORDANCE WITH HAITIAN LAW." ALMOST SIMULTANEOUSLY WE ENTERED INTO A CONSTRUCTION CONTRACT WITH A MAJOR AMERICAN FIRM AND BEGAN BUILDING TWENTY KILOMETERS OF ROADS AND INSTALLING INFRASTRUCTURE. HIGH ALTITUDE AERIAL PHOTOGRAPHY AND LAND SURVEYS WERE COMPLETED. A THOROUGH ECOLOGICAL STUDY OF THE TIDES AND CURRENTS AND PREVAILING WINDS WAS MADE. THE ARCHITECTURAL FIRM OF HELLMUTH, OBATA AND KASSABAUM OF SAINT LOUIS WAS COMMISSIONED AS MASTER ARCHITECTS FOR THE PROJECT. WITHIN A MATTER OF MONTHS MORE THAN TWO MILLION DOLLARS HAD BEEN INVESTED IN THE PROJECT. CONSTRUCTION WAS AHEAD OF SCHEDULE, AND DEMANDS FOR HOTEL SITES, INDUSTRIAL SITES, MARINAS, HOUSING SITES AND INVESTMENT ACREAGE WAS FAR GREATER THAN

ANYTHING WE HAD ANTICIPATED. WE HAD BEEN TOLD THAT THERE WAS VIRTUALLY NO WATER ON THE ISLAND AND THAT THE LIMITED SUPPLY IN EXISTENCE WOULD STUNT THE DEVELOPMENT. WITHIN A MATTER OF A FEW MONTHS, EXPLORATION LED US TO A MAJOR DISCOVERY OF AMPLE ARTESIAN WATER.

SUDDENLY, WITHOUT WARNING AND WITHOUT CAUSE, HAITIAN OFFICIALS OF CABINET RANK ARRIVED ON THE ISLAND TO INFORM US THAT THE PROJECT MUST BE CLOSED. WE WERE INFORMED THAT BECAUSE OF LITIGATION BETWEEN HAITI AND A THIRD PARTY, LITIGATION HAVING NOTHING TO DO WITH TRANSLINEAR, THE WORK HAD TO BE HALTED. BULLDOZERS, EARTH MOVING EQUIPMENT, ROCK CRUSHERS AND A HELICOPTER WERE ABANDONED WHERE THEY SAT. APPROXIMATELY TWENTY KILOMETERS OF FINISHED ROAD WAS LEFT TO DETERIORATE AND RETURN TO THE JUNGLE. OUR MANAGER AND FOREMAN WERE HUSTLED OFF OF THE ISLAND, LEAVING BEHIND THEM VALUABLE FILES OF ENGINEERING PLANS, BLUEPRINTS, SURVEYS, TOPOGRAPHICAL MAPS, AERIAL PHOTOGRAPHY AND SUBDIVISION PLANS. A MILITARY GUARD WAS PLACED IN OUR CAMP. BARRELS WERE LINED UP ON THE RUNWAY SO THAT OUR PLANE COULD NOT RETURN, AND OFFICIALS OF TRANSLINEAR WERE INFORMED BY THE COLONEL OF THE AIRPORT IN PORT AU PRINCE THAT ANY ATTEMPT TO REACH THE ISLAND BY BOAT WOULD RESULT IN THE ARMED FORCES OF HAITI, "BLOWING THE BOAT OUT OF THE WATER."

UNCLASSIFIED

UNCLASSIFIED

PAGE 13 STATE 054522

WHEN WE ASKED FOR EXPLANATIONS, WE WERE TOLD THAT THE

SITUATION HAD NOTHING TO DO WITH TRANSLINEAR, THAT TRANSLINEAR HAD MET ALL OF ITS OBLIGATIONS, AND THAT IN TIME WE WOULD BE PERMITTED TO RETURN AND RESUME CONSTRUCTION. FOR A PERIOD OF SEVERAL MONTHS, AT THE EXPENSE OF OVER TWO THOUSAND DOLLARS A DAY, WE STOOD READY TO RETURN. BUT, AS THE GOVERNMENT CONTINUED TO DELAY AND TO DECEIVE, IT BECAME APPARENT TO US THAT FOR ALL PRACTICAL PURPOSES, OUR EQUIPMENT HAD BEEN CONFISCATED AND OUR ASSETS EXPROPRIATED. FOR MORE THAN TWO YEARS, WE HAVE BEEN FORBIDDEN ACCESS TO OUR OWN LEASEHOLD PROPERTY, AND TO OUR EQUIPMENT AND MATERIAL. ONE INSPECTION TRIP IN THE PRESENCE OF A MILITARY GUARD WAS PERMITTED DURING THAT TIME. FINALLY, IN APRIL OF 1975, TWO YEARS AFTER THE CLOSEDOWN OF THE PROJECT, WE WERE INFORMED THAT THE LAST OF SIX CONTRACTS DRAWN BY OUR ATTORNEYS, MODIFIED, CHANGED AND AMENDED AT THE REQUEST OF THE HAITIAN STATE, WAS ACCEPTABLE AND WOULD BE SIGNED BY THE PRESIDENT OF HAITI. WITHIN HOURS OF RECEIVING THIS OFFICIAL ASSURANCE, THE OUTRAGEOUS EXTORTION ATTEMPT, NARRATED BY DR. CARDEN, TOOK PLACE ON APRIL 15, 1975. WITHIN AN HOUR OF THE INCIDENT, I HAD REPORTED IT IN DETAIL TO THE DEPUTY CHIEF OF MISSION AT THE UNITED STATES EMBASSY IN PORT AU PRINCE. THE THREATS OF THE EX-

TORTION HAVE COME TO PASS. THE ISLAND IS STILL CLOSED. WE HAVE BEEN TOLD NOT TO RETURN TO HAITI. NEGOTIATIONS HAVE CEASED, ALL PROTESTS HAVE BEEN IGNORED, VITAL PLANS AND INFORMATION ARE IN THE HANDS OF THE HAITIAN GOVERNMENT; WE HAVE SUSTAINED STAGGERING FINANCIAL LOSSES, AND THE DAMAGE TO TRANSLINEAR, INC. IS IN THE MILLIONS OF DOLLARS. IN A FINAL ATTEMPT TO HAVE THIS INJUSTICE ADDRESSED, I WIRED THE PRESIDENT-FOR-LIFE OF HAITI AND APPEALED FOR INTERVENTION ON OUR BEHALF. I CONCLUDED THAT WIRE BY SAY-ING, AND I QUOTE, "FOR THREE YEARS WE HAVE ACTED IN GOOD FAITH, WE HAVE OBEYED EVERY LAW, WE HAVE OBSERVED EVERY THIC(SIC), WE HAVE COMPLIED WITH EVERY REQUEST AND FOLLOWED EVERY SUGGESTION OF YOUR GOVERNMENT. WE ARE NOT PROMOTERS. MONEY INVESTED HAS COME FROM THE STOCKHOLDERS OF OUR COM-PANY AND FROM BANK LOANS. WE ARE HONEST AND SUCCESSFUL BUSINESS MEN ASKING ONLY FOR THE PROTECTION OF INTERNA-TIONAL LAWS AND THE PRIVILEGE OF INVESTING IN YOUR COUNTRY UNCLASSIFIED

UNCLASSIFIED

PAGE 14 STATE 054522

ON FAIR TERMS AND IN AN HONORABLE MANNER." A COPY OF THE TELEGRAM WAS SENT TO THE UNITED STATES SECRETARY OF STATE. NEITHER THE GOVERNMENT OF HAITI NOR THE GOVERNMENT OF THE UNITED STATES HAS REPLIED. WE DO NOT KNOW WHY OUR ASSETS HAVE BEEN TAKEN FROM US. THERE HAVE BEEN NO PROBLEMS WITH THE POPULATION. NO LABOR PROBLEMS. NO COMPLAINTS FROM THE PEOPLE. ON THE OCCASION OF OUR ONE INSPECTION TRIP, THE NEWSPAPER ON THE NORTH COAST RAN AN EDITORIAL WHICH HEARTENED THE DROUGHT STRICKEN AREA, AND I QUOTE

FROM THAT, "LAST SATURDAY, ON A SPECIAL PLANS, THE AMERI-CANS, MR. WILLIAM CARDEN AND MR. WILLIAM CROOK, MEMBERS OF TRANSLINEAR, ARRIVED ACCOMPANIED BY SOME HAITIANS. NATURALLY THIS VISIT WAS THE SUBJECT OF THE WEEK. THERE HAS BEEN MUCH TALK AND THE PEOPLE CAN SEE THE MORNING OF BETTER DAYS FOR THE COMPLETE NORTHWEST; THE REOPENING OF THE PROJECT WHICH THE POPULATION HAS WAITED FOR SO LONG. THE COMPANY WILL BE RECEIVED BACK WITH JOY." THE CLOSEST THING WE HAVE EVER RECEIVED TO A COMPLAINT FROM OFFICIAL SOURCES WAS CONTAINED IN A LETTER OF OCTOBER 20, 1975, FROM THE SECRETARY OF STATE OF COMMERCE AND INDUSTRY, HENRI P. BAYARD. MR. BAYARD REBUKED US AND ACCUSED US WITH INTERFERING WITH NATIONAL SOVEREIGNTY BY AP-PEALING OUR CASE TO TWO UNITED STATES SENATORS (BENTSON AND KENNEDY) AND ASKING THEM TO INQUIRE ON OUR BEHALF AS TO THE REASONS FOR THE CLOSING OF THE PROJECT AND THE CON-FISCATION OF MATERIAL AND EQUIPMENT. HOWEVER, WHILE THE FIRST PARAGRAPHS OF THAT LETTER CONTAINED THE REBUKE, THE CONCLUDING PARAGRAPH READ THUSLY, "WE WANT AND WE ARE READY TO MEET AT A DATE CONVENIENT TO YOU, THE REPRESENTATIVES OF TRANSLINEAR, ON AN OFFICIAL BASIS IN ORDER TO

WORK WITH YOU ON A CONVENTION PROJECT WHICH WOULD BE MUTUALLY ADVANTAGEOUS TO HAITI AND TO TRANSLINEAR."

THUS, OUR MULTI-MILLION DOLLAR PRIZE. THERE HAVE BEEN NO CHARGES BROUGHT AGAINST US BY ANY OFFICIAL OF THE HAITIAN STATE AT ANY TIME. THERE HAS BEEN NO NEGATIVE PUBLICITY AGAINST TRANSLINEAR IN ANY OF THE NEWSPAPERS OF HAITI. NO COMPLAINTS HAVE BEEN LODGED BY WORKMEN, BY LANDOWNERS, BY MERCHANTS OR BY ANY CITIZEN. WE HAVE VIOLATED NO CUSTOMS NOR OFFENDED SOCIAL MORES. WE HAVE LEFT NO BILLS  
UNCLASSIFIED

UNCLASSIFIED

PAGE 15 STATE 054522

UNPAID IN ALL OF HAITI; ALTHOUGH AT TIMES WE HAVE BEEN SLOW MEETING THE PAYROLL OF GUARDS WHOSE SALARIES WE MUST STILL PAY. THE REASON FOR THE OCCASIONAL DELAY WAS AND IS THE IMPOSSIBILITY OF GETTING CASH TRANSPORTED TO THE ISLAND SAFELY FROM PORT AU PRINCE SEVERAL MILES AWAY. OUR FILES ARE REplete WITH OFFICIAL LETTERS AND COMMUNICATIONS FROM HIGH CABINET LEVEL HAITIAN OFFICIALS. THESE LETTERS ARE POSITIVE, ENCOURAGING, AND EVEN ENTHUSIASTIC. THEY RECOGNIZE OUR INTEREST AND OUR INVESTMENTS AND OUR EXPENDITURES. THEY TELL US OUR INVESTMENTS WILL BE PROTECTED. THEY TELL US OUR CONTRACTS ARE BEING STUDIED AND WITH THE EXCEPTION OF MINOR MODIFICATIONS WILL BE ACCEPTABLE. AS YOU CAN IMAGINE, SINCE WE HAVE MADE MORE THAN ONE HUNDRED FIFTY TRIPS IN THE PAST FIVE YEARS, WE HAVE MET MANY OFFICIALS AND HAD NUMEROUS MEETINGS IN GOVERNMENT BUILDINGS WITH AUTHORIZED GOVERNMENT PEOPLE. THESE PEOPLE HAVE ALWAYS BEEN COURTEOUS AND ALWAYS AFFIRMATIVE. BUT CONTRASTING THEIR GENTLENESS AND THEIR COURTESY IS THE ABUSIVENESS

OF AN EXTORTIONER IN THE PARK WHO PURPORTS TO SPEAK FOR THE GOVERNMENT, WHO PREDICTS THAT IF WE DO NOT COMPLY WITH HIS DEMANDS THE CONTRACT WILL NOT BE GRANTED AND NEGOTIATIONS WILL BE TERMINATED. THOSE PREDICTIONS CAME TRUE. FROM THE AMERICAN EMBASSY AT VARIOUS TIMES WE ARE TOLD THAT THE PROBLEM IS SMUGGLING, BUT WE ARE NOT SMUGGLERS, AND THAT PROBLEM DOES NOT EXIST WITH US. WE ARE ALSO TOLD THAT ONE REASON FOR NOT BEING PERMITTED TO THE ISLAND IS DUE TO NATIONAL SECURITY, BUT OUR COMPANY IS IN NO WAY A THREAT TO THE HAITIAN PEOPLE OR TO THE STATE. WE ARE TOLD TO BE PATIENT AND WE THINK WE HAVE BEEN PATIENT. AFTER THREE YEARS OF PLEADING, WAITING AND REVISING OF CONTRACTS, IT IS RATHER DIFFICULT TO CAUTION THE STOCKHOLDERS TO BE MORE PATIENT. AFTER AN APPROXIMATE THREE MILLION DOLLARS OF ACTUAL CASH INVESTMENT, NOT TO MENTION THE SEVERAL PENDING PROJECTS AND MONEY ACTUALLY IN ESCROW BY HOTEL BUILDERS, DEVELOPERS AND OTHERS FROM ITALY, FROM FRANCE, FROM CANADA AND FROM THE UNITED STATES, THE STOCKHOLDERS HAVE DEMANDED OF US EXPLANATIONS AND ACTION.

WE BELIEVE THE PROJECT TO STILL BE AN EXTREMELY VALUABLE ONE. THE ROMANTIC ISLAND OF TORTUGA, DISCOVERED BY COLUM-  
UNCLASSIFIED

UNCLASSIFIED

PAGE 16 STATE 054522

BUS, SERVED AS THE PIRATE BASE DURING THE DAYS OF THE SPANISH MAIN AND IS ONE OF THE MOST DRAMATIC AND ENCHANTING SITES IN THE WORLD. IT IS SITUATED IMMEDIATELY UNDER THE MAJOR AIRLINES FROM MIAMI TO PORT AU PRINCE, AND IS IN THE MIDST OF THE SEA ROUTES OF THE WORLD. WE HAVE FOUND ABUNDANT WATER. WE HAVE OPENED UP ONE END OF THE ISLAND WITH A TWENTY KILOMETER ROAD. WE HAVE PROVEN THAT THE FREEPORT CONCEPT IS EXTREMELY POPULAR TO INDUSTRY AS WELL AS TO INDIVIDUAL INVESTORS. THE UNITED STATES IS SPENDING SEVERAL MILLION DOLLARS THROUGH THE INTER-AMERICAN BANK TO BUILD A MAJOR HIGHWAY FROM PORT AU PRINCE TO THE NORTH COAST. THIS WILL MAKE THE ISLAND AVAILABLE FOR THE FIRST TIME TO THE THOUSANDS OF TOURISTS OF PORT AU PRINCE. WE BELIEVE THE PROJECT WILL BE COMPLETED BY OTHERS. WE BELIEVE THAT THE HAITIAN STATE ALREADY KNOWS WHO THOSE OTHERS WILL BE. WE HAVE TAKEN ALL THE RISKS, DRAFTED ALL THE PLANS, PERFORMED ALL THE WORK, PAID ALL THE BILLS AND SUFFERED ALL THE LOSS. THE LAND IS THERE, THE INFRASTRUCTURE IS THERE, THE PLANS AND THE ENGINEERING ARE THERE, AND THE EQUIPMENT TO CONTINUE THE WORK IS THERE. BY RIGHT OF LEASE AND OF LAW, THESE ASSETS BELONG TO TRANSLINEAR. BUT ANY HOPE OF REGAINING THEM IS VERY DIM INDEED. SO WE HAVE COME TO ASK YOUR HELP IN THE RECOVERY OF OUR ASSETS. AS AMERICAN CITIZENS WE ARE GRATEFUL FOR A GOVERNMENT THAT WILL HEAR US. BUT I THINK I SPEAK FOR AMERICAN BUSINESS ABROAD WHEN I SAY "HEARING" IS NOT ENOUGH. WE MUST ALSO

BE PROTECTED AND SUPPORTED. ON APRIL 2, 1973, I RECEIVED A LETTER ON STATIONERY OF THE EMBASSY OF THE UNITED STATES OF AMERICA, PORT AU PRINCE, HAITI. FROM THAT LETTER I QUOTE, "MINISTER OF FINANCE, FRANCISQUE, HAS ASSURED ME THAT THE INTERESTS AND INVESTMENTS OF TRANSLINEAR WILL BE PROTECTED AND THAT HE HOPES YOUR COMPANY WILL CONTINUE TO CARRY ON ITS WORK IN TORTUGA. SIGNED, CLINTON E. KNOX, AMERICAN AMBASSADOR." THANK YOU. END QUOTE

4. DEPARTMENT IS POUCHING FULL TRANSCRIPT OF HEARINGS TO POST. KISSINGER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXT, FOREIGN INVESTMENT, BRIBERY, NATIONALIZATION, US CONGRESSIONAL PRESENTATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 MAR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE054522  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** DASTRASSER:FBL  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760085-0350  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760388/aaaadads.tel  
**Line Count:** 756  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN ARA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 14  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 JUL 2004 by fisherem>; APPROVED <10 DEC 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CARDEN AND CROOK TESTIMONY ON TRANSLINEAR  
**TAGS:** EINV, HA, US, TRANSLINEAR INC, (CROOK, WILLIAM), (CARDEN, WILLIAM)  
**To:** PORT AU PRINCE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006